

IMPORTANT NOTICE

You must read the following disclaimer before continuing:

The following disclaimer applies to the attached memorandum (the "**Consent Solicitation Memorandum**"), whether received by e-mail or otherwise as a result of electronic communication and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached document. In accessing the Consent Solicitation Memorandum, you agree to be bound by the terms and conditions below, including any modifications to them from time to time, each time you receive any information whether from the Fiscal Agent or other Paying, Transfer and Conversion Agents, Lucid Issuer Services Limited (the "**Tabulation Agent**"), BNP Paribas (the "**Consent Solicitation Agent**") and/or the Issuer.

Confirmation of your representation:

YOU ARE REMINDED THAT YOU HAVE BEEN SENT THE CONSENT SOLICITATION MEMORANDUM ON THE BASIS THAT (I) YOU ARE A HOLDER OR A CUSTODIAN OR INTERMEDIARY ACTING ON BEHALF OF A HOLDER OR A BENEFICIAL OWNER OF THE €160,000,000 1.25 PER CENT SENIOR UNSECURED CONVERTIBLE BONDS DUE 2023 (THE "**BONDS**"), ISSUED BY ENCE ENERGÍA Y CELULOSA, S.A., (II) YOU ARE A PERSON TO WHOM IT IS LAWFUL TO SEND THE CONSENT SOLICITATION MEMORANDUM UNDER ALL APPLICABLE LAWS, (III) YOU HAVE CONTACTED THE TABULATION AGENT TO INFORM IT AS TO WHETHER (A) THE BENEFICIAL OWNER OF THE BONDS IS LOCATED OUTSIDE THE UNITED STATES AND ITS CONSENT INSTRUCTION ON THE AMENDMENT PROPOSAL (AS DEFINED HEREIN) WILL BE SUBMITTED FROM OUTSIDE THE UNITED STATES OR (B) THE BENEFICIAL OWNER OF THE BONDS IS LOCATED IN THE UNITED STATES AND IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") WITHIN THE MEANING OF RULE 144A UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR AN INSTITUTIONAL ACCREDITED INVESTOR ("**IAI**") AS DEFINED IN RULE 501(A) OF THE SECURITIES ACT OR (C) YOU ARE UNABLE TO MAKE THE REPRESENTATIONS IN (A) AND (B) ABOVE AND HAVE PROVIDED THE TABULATION AGENT DETAILS OF YOUR LOCATION AND INVESTOR STATUS; AND (IV) YOU CONSENT TO DELIVERY BY ELECTRONIC TRANSMISSION.

The Consent Solicitation Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Fiscal Agent or other Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agent, the Issuer, the Registrar or any person who controls or is a director, officer, employee or agent of any of the Fiscal Agent or the other Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agent, the Issuer, the Registrar or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Consent Solicitation Memorandum distributed to you in electronic format.

You are reminded that the Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession the Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the Consent Solicitation Memorandum to any other person except to purchasers/transferees to whom the Bonds have been sold/transferred and provided that such delivery is lawful.

The Amendment Proposal is being made to holders of securities of a non-U.S. company.

It may be difficult for you to enforce your rights and any claim you may have arising under the United States federal securities laws, since the Issuer and some or all of its officers and directors

are residents of a non-U.S. country. You may not be able to sue a non-U.S. company or its officers or directors, in a non-U.S. court for violations of the United States securities laws. It may be difficult to compel a non-U.S. company and its affiliates, or a foreign sovereign state, to subject themselves to a United States court's judgment.

Neither the consent solicitation nor any offer of Bonds have been or will be registered with the United States Securities and Exchange Commission. The Notes have not been and will not be registered under the Securities Act or the securities law of any state of the United States.

Nothing in this electronic transmission constitutes an offer or recommendation to buy or the solicitation of an offer or recommendation to sell any securities in the United States or in any other jurisdiction.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own financial and/or legal advice immediately from your broker, bank manager, legal adviser, accountant or other authorised financial adviser as to the action you should take.

If you have recently sold or otherwise transferred your entire holding(s) of Bonds referred to below, you should immediately forward this document to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The distribution of this Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.



ENCE Energía y Celulosa, S.A.
a public company (sociedad anónima) established under the laws of Spain
(the "Issuer")

€160,000,000 1.25 per cent Senior Unsecured Convertible Bonds due 2023
(ISIN: XS1783932863, Common Code: 178393286) (the "Bonds")

CONSENT SOLICITATION MEMORANDUM

in relation to a proposed amendment to the terms and conditions of the Bonds and certain related matters

The Issuer has convened a meeting of Bondholders (as defined in the Fiscal Agency Agreement) (the "**Meeting**") with respect to the Bonds to consider and, if thought fit, pass the Resolution (as defined herein) which will provide for certain modifications to the Conditions (as defined herein) of the Bonds as more fully described under "Issuer Amendment Proposal" below.

Notice (the "**Notice of Meeting**") convening the Meeting of the holders of the Bonds (the "**Bondholders**") to be held at calle de Beatriz de Bobadilla nº 14, 28040 Madrid, Spain on 9 July 2018, at 10:00 a.m. CET at the first meeting or, if it is agreed to do so, in the adjourned meeting, in the event that it is not possible to reach the requisite quorum in the first meeting to be held at calle de Beatriz de Bobadilla nº 14, 28040 Madrid, Spain, on 23 July 2018, at 10:00 a.m. CET, was delivered to the Clearing Systems, Euroclear and Clearstream, Luxembourg (as defined herein) and published through the electronic communication system of Bloomberg, on the date hereof for communication to Bondholders in accordance with the terms and conditions of the Bonds (the "**Conditions**"). A copy of the form of Notice of Meeting is set out in Annex A (*Form of Notice of Meeting*) to this Consent Solicitation Memorandum. Notices convening the Meeting have also been published via a regulatory announcement (*Hecho Relevante*) with the Spanish Securities Commission (*Comisión Nacional del Mercado de Valores*) and on the Issuer's website (www.ence.es).

The Notice of Meeting sets out the extraordinary resolution which will be proposed at the Meeting (the "**Resolution**"). The Resolution, if passed, will approve the implementation of the proposal described below.

A description of the action to be taken by Bondholders is set out in the Notice of Meeting.

Capitalised terms not otherwise defined in this Consent Solicitation Memorandum shall have the meanings set out in the Conditions.

The Issuer wishes to make certain amendments to the Conditions as more particularly described in this Consent Solicitation Memorandum.

Bondholders who are not Direct Participants in Euroclear or Clearstream, Luxembourg (each as defined herein) but hold an account with a Direct Participant must contact their Direct Participant to arrange for their Direct Participant in Euroclear or Clearstream, Luxembourg through which they hold Bonds to submit a consent instruction on their behalf for receipt by the Tabulation Agent prior to 10:00 a.m. (CET) on 6 July 2018 (being the Expiration Time) or, if the Issuer confirms the calling of the adjourned Meeting, prior to 10:00 a.m. (CET) on 20 July 2018 (being the Adjourned Meeting Expiration Time). Bondholders who are not Direct Participants in Euroclear or Clearstream, Luxembourg (each as defined herein) and do not hold an account with a Direct Participant in Euroclear or Clearstream, Luxembourg (each as defined herein) must contact their broker, dealer, bank, custodian, trust company or other nominee to arrange for their Direct Participant in Euroclear or Clearstream, Luxembourg through which they hold Bonds, to submit a consent instruction on their behalf for receipt by the Tabulation Agent prior to 10:00 a.m. (CET) on 6 July 2018 (being the Expiration Time) or, if the Issuer confirms the calling of the adjourned Meeting, prior to 10:00 a.m. (CET) on 20 July 2018 (being the Adjourned Meeting Expiration Time).

In relation to the delivery or revocation of consent instructions, in each case, through the Clearing Systems, Bondholders holding Bonds in Euroclear or Clearstream, Luxembourg should note the particular practice of the relevant Clearing System, including any earlier deadlines set by such Clearing System.

Upon receipt of a consent instruction that is not validly withdrawn or revoked, at any time prior to the Expiration Time (or the Adjourned Meeting Expiration Time) or as otherwise provided herein, the Tabulation Agent (or its nominee) shall be appointed by the Common Depositary (in its capacity as Bondholder and legal owner) as a proxy to vote at the Meeting (or the adjourned Meeting) in respect of the Resolution in respect of the votes attributable to all Bonds which are the subject of the relevant consent instruction. The votes will be cast in accordance with the relevant consent instruction.

Subject to applicable law and the Provisions for the Meetings of Bondholders included as schedule 3 of the Fiscal Agency Agreement (the "**Regulations**") and subject also as provided herein, the Issuer may, in its absolute discretion, re-open, extend, decline, waive any condition of (including any condition as to the effectiveness of the Resolution) and/or amend the Consent Solicitation.

As described in this Consent Solicitation Memorandum (and subject to the limited exceptions set out herein), the communication of an intention to vote in favour of or against the Resolution by a Beneficial Owner of the Bonds by submission of a consent instruction shall be irrevocable and binding on such Beneficial Owner of the Bonds after the Expiration Time (or the Adjourned Meeting Expiration Time) save if the Issuer confirms the calling of the adjourned Meeting and the Beneficial Owner of the Bonds revokes his instruction during the period between the date on which the adjourned Meeting has been convened and the Adjourned Meeting Expiration Time.

Notwithstanding the consent solicitation, Bonds may continue to be traded, save that Bonds which are the subject of a consent instruction (or a vote otherwise given in accordance with the provisions of the Conditions, the Regulations, the Fiscal Agency Agreement and the Notice of Meeting) will be blocked by Euroclear or, as the case may be, Clearstream, Luxembourg in accordance with the consent instruction and/or the standard procedures of such Clearing System.

In accordance with normal practice, none of the Fiscal Agent or any other Paying, Transfer and Conversion Agents, Lucid Issuer Services Limited (the "Tabulation Agent"), BNP Paribas (the "Consent Solicitation Agent") or the Registrar (or any of their

respective advisors) has been involved in the formulation of the Amendment Proposal (as defined herein) or has verified the information contained in any part of this Consent Solicitation Memorandum. Further, none of the Fiscal Agent or any other Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agent, the Issuer or the Registrar (or any of their respective advisors) expresses any opinion or recommendation as to the purpose or merits of the Amendment Proposal or as to the action Bondholders should take in relation to them. None of the Fiscal Agent or any other Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agent or the Registrar (or any of their respective advisors) makes any representation regarding the accuracy, completeness, sufficiency, relevance or otherwise of any information contained in the Consent Solicitation Memorandum or otherwise disclosed or to be disclosed to Bondholders in connection with the Amendment Proposal. None of the Fiscal Agent or any other Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agent, the Registrar (or any of their respective advisors) accepts any liability in relation to the Amendment Proposal or the matters set out in the Consent Solicitation Memorandum.

The Tabulation Agent and Consent Solicitation Agent are appointed by the Issuer and owe no duty to any Bondholder.

The Consent Solicitation Agent and the Tabulation Agent are acting solely for the Issuer and no one else in connection with this consent solicitation, this Consent Solicitation Memorandum, the Amendment Proposal or the Resolution and will not regard any other person (whether or not a recipient of this Consent Solicitation Memorandum) as a client or owe any duty to any other person. The Consent Solicitation Agent and the Tabulation Agent will not be responsible to anyone other than the Issuer for providing advice in relation to any matters referred to therein. This Consent Solicitation Memorandum has been prepared by the Issuer and is being provided to you, in addition to any other materials or information provided in connection with this consent solicitation, the Amendment Proposal or the Resolution, by the Consent Solicitation Agent or Tabulation Agent on behalf of the Issuer. None of the Consent Solicitation Agent, the Tabulation Agent or their affiliates (or their respective directors, employees, officers, consultants or agents) shall be responsible, liable or owe a duty of care to any recipient of this Consent Solicitation Memorandum or any other materials or information provided to such recipient in connection with this consent solicitation, the Amendment Proposal or the Resolution.

If Bondholders have any questions or requests for assistance in connection with voting in relation to the Resolution at the Meeting and/or the delivery of consent instructions, they should contact the Tabulation Agent, the contact details for whom are on the last page of this Consent Solicitation Memorandum.

Bondholders with any questions on this consent solicitation or the Amendment Proposal should contact the Consent Solicitation Agent for further information, the contact details for whom are on the last page of the Consent Solicitation Memorandum.

The Fiscal Agent, other Paying, Transfer and Conversion Agents, the Consent Solicitation Agent and the Tabulation Agent and/or their respective affiliates are entitled to hold positions in the Bonds either for their own account or for the account, directly or indirectly, of third parties. The Fiscal Agent, other Paying, Transfer and Conversion Agents, the Consent Solicitation Agent and the Tabulation Agent and/or their affiliates may hold significant positions in the Bonds, and they are entitled to continue to hold or dispose of, in any manner they may elect, any Bonds that they may hold as at the date of this Consent Solicitation Memorandum or thereafter acquire for their own account or the account of others. The Fiscal Agent, other Paying, Transfer and Conversion Agents, the Consent Solicitation Agent and the Tabulation Agent and/or their respective affiliates are entitled, from such date, to acquire further Bonds subject to the applicable law and may or may not submit or deliver a valid vote in respect of such Bonds that they may hold, and no such admission, submission or non-submission should be taken by any

Bondholder or any other person as any recommendation or otherwise by the Fiscal Agent, other Paying, Transfer and Conversion Agents, the Consent Solicitation Agent and the Tabulation Agent and/or their respective affiliates, as the case may be, as to the merits of the Amendment Proposal.

THE CONSENT SOLICITATION WILL COMMENCE ON 15 JUNE 2018 AND WILL EXPIRE AT 10:00 A.M. (CET) ON 6 JULY 2018 (THE “EXPIRATION TIME”) OR, IF THE ISSUER CONFIRMS THE CALLING OF THE ADJOURNED MEETING, AT 10:00 A.M. (CET) ON 20 JULY 2018 (THE “ADJOURNED MEETING EXPIRATION TIME”), UNLESS THE PERIOD FOR THE CONSENT SOLICITATION IS EXTENDED OR EARLIER TERMINATED BY THE ISSUER IN ITS SOLE DISCRETION. IF THE EXPIRATION DATE (OR THE ADJOURNED MEETING EXPIRATION TIME) FOR THE CONSENT SOLICITATION IS EXTENDED, THE ISSUER WILL PUBLICLY ANNOUNCE SUCH EXTENSION IN ACCORDANCE WITH THE TERMS OF THIS CONSENT SOLICITATION MEMORANDUM.

If the Resolution is passed, the Amendment Proposal will be binding on all relevant Bondholders, including in relation to those Bondholders who do not consent to the Amendment Proposal or do not vote at all.

The date of this Consent Solicitation Memorandum is 15 June 2018.

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ISSUER AMENDMENT PROPOSAL

Background

On 22 February 2018, Ence Energía y Celulosa, S.A. ("**Ence**" or the "**Issuer**") issued Bonds convertible and exchangeable into ordinary shares of the Issuer in an aggregate principal amount of €160,000,000 (the "**Bonds**").

The Issuer now seeks approval from holders of the Bonds (the "**Bondholders**") to modify the terms and conditions of the Bonds (the "**Conditions**"), in particular, Condition 6(b)(vi) *Conversion Price Protection in relation to a Change of Control* and Condition 7(e) *Redemption at the option of Bondholders following a Triggering Event* to align these Conditions with European market standards allowing Bondholders to exercise their conversion rights as soon as a Tender Offer is launched, and regardless of whether this offer is successful and results in a change of control. Full details of the proposed amendments to the terms of the Bonds are set out in the Resolution at Annex A (*Form of Notice of Meeting*) to this Consent Solicitation Memorandum (the "**Amendment Proposal**") and should be read alongside the Conditions.

Amendment Proposal

The proposed amendments seek to modify the Conditions, in particular, Condition 6(b)(vi) and Condition 7(e), to align such Conditions with European market standards to allow Bondholders to benefit from an enhanced conversion ratio period in the event of a Tender Offer while maintaining the Bondholder's put at par in the event of a Change of Control (pursuant to Condition 7(e)), but suppressing the Tender Offer Value component of such put which will be covered through the aforementioned enhanced conversion ratio period.

Meetings, voting and quorum

The Meeting of the Bondholders will take place (at first call) on 9 July 2018. Bondholders will be asked to consider, and, if thought fit, to pass, the Resolution relating to the Amendment Proposal at that Meeting.

The members of the board of directors of the Issuer and the Fiscal Agent shall have the right to attend the Meeting regardless of whether or not they have been requested to attend.

The submission by a Beneficial Owner of the Bonds of an electronic consent instruction, which is not validly revoked, will automatically instruct The Bank of New York Mellon, London Branch (the "**Common Depositary**") (in its capacity as Bondholder and legal owner) to appoint the Tabulation Agent (or its nominee) as its proxy to attend the Meeting (or an adjourned Meeting) in accordance with this Consent Solicitation Memorandum, the Conditions, the Regulations and the Fiscal Agency Agreement and to vote in respect of the Resolution in respect of the Bonds which are the subject of the consent instruction. The votes will be cast in accordance with the relevant consent instruction.

Bondholders who wish to vote must do so in accordance with the procedures of the relevant Clearing System (defined below). Bondholders should note that they must allow sufficient time for compliance with the standard operating procedures of the clearing and settlement systems operated by Euroclear Bank S.A./N.V. ("**Euroclear**") or Clearstream Banking, société anonyme, Luxembourg ("**Clearstream, Luxembourg**" and, together, the "**Clearing Systems**" and each a "**Clearing System**") in order to ensure receipt of their voting instructions by the Tabulation Agent in advance of 10:00 am (Madrid time) on 6 July 2018 (the "**Expiration Time**") or by the Adjourned Meeting Expiration Time in case of an adjourned Meeting).

In accordance with the Conditions and Regulations, the quorum required at the first call of the Meeting is three-quarters of the aggregate principal amount of the Bonds then outstanding and the Resolution shall be approved by a majority of not less than three quarters of the votes cast at the Meeting.

If three-quarters of the aggregate principal amount of the outstanding Bonds are not present or duly represented at the Meeting, an adjourned meeting may be convened to be held at least 14

days after the call, and will be validly constituted if one-quarter of the aggregate principal amount of the outstanding Bonds is present or duly represented and the Resolution may be passed by not less than three quarters of the votes cast at the Meeting. The Issuer has already considered in its Notice of Meeting an adjourned meeting if the Meeting is not held at first call for lack of quorum.

The Resolution, if passed, shall be binding on all Bondholders, whether present or not at the Meeting at which it is passed and whether or not voting.

Please refer to Annex A (*Form of Notice of Meeting*) for full details of the Meeting, voting and quorum requirements.

Implementation

If the Resolution is duly passed, the Amendment Proposal is expected to be implemented as soon as practicable after the Meeting by means of the execution of the documentation referred to in section “Required approvals and conditionality” below.

EXPECTED TIMETABLE

Bondholders should take note of the important indicative dates and times set out in the timetable below in connection with the consent solicitation. This timetable is subject to change and dates and times may be extended, re-opened or amended in accordance with the terms of the consent solicitation, as described in this Consent Solicitation Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

Event	Date
Notice to convene the first call of the Meeting	15 June 2018
Consent Solicitation Memorandum made available to Bondholders upon request from the Tabulation Agent (free of charge). A copy of the Fiscal Agency Agreement will be made available to the Bondholders upon request from the Tabulation Agent (free of charge)	15 June 2018
Amendment Proposal published on the Issuer's website	15 June 2018
Notice of Meeting delivered to holders of the Bonds through Euroclear and Clearstream, Luxembourg	15 June 2018
Latest time and date for delivery of consent instructions in relation to the Meeting to be held on first call, subject to the rights of the Issuer to re-open, extend, decline, waive any condition of and/or amend the Consent Solicitation and for appointment of the Tabulation Agent or another proxy to attend and vote at the Meeting by the Common Depositary (the " Expiration Time ")	10:00 am (CET) on 6 July 2018 in respect of the Bonds
Date and time of the Meeting (on first call)	9 July 2018 at 10:00 am (CET)
Notice of Meeting results	As soon as practicable following conclusion of the Meeting and in any event within 14 days of the conclusion of the Meeting

Events following the announcement of the results of the Meeting

A) If the Resolution is passed:

Announcement of the registration with the Commercial Registry of the public deed of amendment, necessary for the Resolution to become effective	As soon as reasonably practicable after the registration of the relevant public deed of amendment in the Commercial Registry
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B) In the event that there is no quorum for the first call of the Meeting the Issuer has resolved to confirm the calling of an adjourned Meeting

Notice confirming the calling of the adjourned Meeting 9 July 2018

Notice of Meeting delivered to holders of the Bonds through Euroclear, Clearstream, Luxembourg 9 July 2018

Latest time and date for delivery of consent instructions in relation to the Meeting to be held on first call, subject to the rights of the Issuer to re-open, extend, decline, waive any condition of and/or amend the Consent Solicitation and for appointment of the Tabulation Agent or another proxy to attend and vote at the Meeting by the Common Depositary (the "**Adjourned Meeting Expiration Time**") 10:00 am (CET) on 20 July 2018

Date and time of the adjourned Meeting 10:00 am (CET) on 23 July 2018

All references in this Consent Solicitation Memorandum to times are to Central European Time (unless otherwise stated).

The above times and dates are indicative only and will depend, amongst other matters, on timely receipt of instructions (and non-revocation) and the passing of the Resolution and are subject to the earlier deadlines of the relevant Clearing System and other intermediaries (if any).

In relation to the times and dates indicated above, Bondholders holding Bonds in Euroclear or Clearstream, Luxembourg should note the particular practices and policies of the relevant Clearing System regarding their communications deadlines, which will determine the latest time at which instructions may be delivered to the relevant Clearing System so that they are received by the Tabulation Agent within the deadline set out above.

Bondholders who are not direct participants in the Clearing Systems must contact their broker, dealer, bank, custodian, trust company or other nominee to arrange for their direct participant in Euroclear or Clearstream, Luxembourg through which they hold Bonds to submit a consent instruction on their behalf to be received by the Tabulation Agent prior to the Expiration Time (or the Adjournment Expiration Time).

Bondholders are urged to deliver valid instructions through the Clearing Systems in accordance with the procedures of, and within the time limits specified by, the Clearing Systems for receipt by the Tabulation Agent as soon as possible and, in any event, no later than the Expiration Time (or the Adjourned Meeting Expiration Time).

The beneficial owners of Bonds that are held in the name of a broker, dealer, bank, custodian, trust company or other nominee or custodian should contact such entity sufficiently in advance of the relevant date if they wish to submit instructions and procure that the Bonds are blocked in accordance with the procedures of the relevant Clearing System and the deadlines imposed by such Clearing System.

Please note that Custodians, Direct Participants, Affiliate Members, Registered Holders and Clearing Systems may have deadlines for the reception of instructions prior to the Expiration

Time; therefore Bondholders should contact the intermediary through which they hold their Bonds as soon as possible to ensure proper and timely delivery of instructions.

By delivering a consent instruction through Euroclear or Clearstream, Luxembourg to the Tabulation Agent, direct participants in Euroclear or Clearstream, Luxembourg are deemed to authorize Euroclear or Clearstream, Luxembourg, as applicable, to disclose: (a) their identity; (b) the aggregate principal amount of Bonds which are subject of such voting instruction in relation thereto; and (c) their Euroclear or Clearstream, Luxembourg account details, to the Tabulation Agent for disclosure to the Issuer and its advisers.

FORWARD LOOKING STATEMENTS

This Consent Solicitation Memorandum includes forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical fact contained in this Consent Solicitation Memorandum, including, without limitation, those regarding the Issuer's strategy, plans, objectives, goals and targets, future developments in the markets in which the Issuer participates or is seeking to participate. In some cases, forward-looking statements can be identified by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "potential", "predict", "projected", "should", or "will" or the negative of such terms or other comparable terminology. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. The Issuer cautions that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. The Issuer's actual results of operations, including our financial condition and liquidity and the development of the industry in which the Issuer operates, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this Consent Solicitation Memorandum. Important risks, uncertainties and other factors that could cause these differences include, but are not limited to:

- failure to successfully issue Future Issuances and refinance the Refinancing Indebtedness;
- failure to successfully implement the international expansion of the business;
- the inability to successfully implement the Issuer's business strategy;
- changes in currency exchange rates and market interest rates;
- the need to retain and attract key management and personnel;
- the possible inadequacy of the Issuer's joint venture partners;
- changes in domestic and international regulations;
- compliance with environmental laws;
- possible tax and litigation liability; and
- the delay and cancellation of business projects.

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision with respect to the Amendment Proposal, Bondholders should carefully consider, in addition to the other information contained in this Consent Solicitation Memorandum, the following risk factors and other considerations:

RISK FACTORS:

Future actions in respect of the Bonds

The Issuer reserves the right to take one or more future actions at any time in respect of the Bonds that remain outstanding after the consummation of this consent solicitation. This includes, without limitation, the purchase from time to time of Bonds in the open market, in privately negotiated transactions, through tender offers or otherwise. Any future purchases by the Issuer will depend on various factors existing at the time. There can be no assurance as to which, if any, of those alternatives (or combinations thereof) the Issuer will choose to pursue in the future and when such alternatives might be pursued.

Blocking of Bonds

Upon delivery of a valid electronic voting instruction to the relevant Clearing System, the Bonds the subject of such electronic voting instruction shall then be blocked in the relevant Clearing System until the earlier of (i) the conclusion of the Meeting (or, if later, the relevant adjourned Meeting), (ii) the Meeting not having been quorate and validly held at first call and the Issuer's decision not to confirm the calling of an adjourned Meeting, (iii) the receipt by the Tabulation Agent of the relevant withdrawal instruction or (iv) prior to the Expiration Time upon such Bond(s) ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of the Tabulation Agent or other proxies appointed by the Bondholder to be held to its order or under its control; provided, however, in the case of (iv) above, that if a Beneficial Owner or direct participant has caused a proxy to be appointed in respect of such Bond(s), such Bond(s) will not be released to the relevant direct participant unless and until the Issuer and the Tabulation Agent have received notice of the necessary revocation of or amendment to such proxy. While blocked, the Bonds the subject of any such electronic voting instruction may not be transferred.

Responsibility for complying with the procedures of the consent solicitation

Bondholders are solely responsible for complying with all of the procedures for submitting consent instructions. None of the Issuer, the Consent Solicitation Agent, the Fiscal Agent, the other Paying, Transfer and Conversion Agents or the Tabulation Agent assumes any responsibility for informing Bondholders of irregularities with respect to consent instructions.

Responsibility for information on the Issuer and the Bonds

Bondholders are responsible for independently investigating the position of the Issuer and the nature of the Bonds. None of the Issuer, the Consent Solicitation Agent, the Fiscal Agent, the other Paying, Transfer and Conversion Agents or the Tabulation Agent assumes any responsibility for informing Bondholders as to the position of the Issuer, the nature of the Bonds and/or the effects of the proposed amendments in relation to the Bonds in connection with this Consent Solicitation Memorandum.

OTHER CONSIDERATIONS:

Implementation

Until the Issuer announces whether the Resolution is passed, the Amendment Documents

executed or granted and the public deed of amendment is registered with the Commercial Registry, no assurance can be given that the Amendment Proposal will be implemented.

Responsibility to consult advisers

Bondholders should consult their own tax, accounting, financial and legal advisers regarding the consequences (tax, accounting or otherwise) of participating in the Amendment Proposal.

Resolution Binding

If the Resolution is passed, the same will be binding on all holders of the Bonds (whether or not they voted in respect of that Resolution) and the Bondholders shall hold their Bonds subject to the relevant Conditions, subject to any waivers or consents granted following the implementation of the Resolution.

Required approvals and conditionality

In order for the Amendment Proposal to be implemented the Resolution must be passed in the Meeting. The Issuer will not take any action to implement any aspect of the Amendment Proposal unless the Resolution is passed by the Meeting.

Accordingly, the Resolution is to be proposed for that purpose for consideration at the Meeting to be held at the offices of the Issuer at calle de Beatriz de Bobadilla nº 14, 28040 Madrid, Spain at 10:00 a.m. CET on 9 July 2018 or, if adjourned, at the same place and time on 23 July 2018.

It should be noted that the effectiveness of the Resolution and the Amendment Proposal is conditional upon the satisfaction of the following conditions:

- (A) the granting of a public deed of amendment of the Conditions; and
- (B) registration of the public deed of amendment of the Conditions with the relevant Commercial Registry.

If the Resolution is passed by the Bondholders at the Meeting and the required approvals are obtained, it is expected that the public deed of amendment of the Conditions will be executed and granted and the Resolution and Amendment Proposal will be effective in accordance with its terms. The amendments shall be notified by the Issuer to the Bondholders as soon as practicable thereafter in accordance with Conditions 14 and 15.

TERMS OF THE CONSENT SOLICITATION

Subject as provided herein, the Issuer hereby invites each beneficial owner of the Bonds to submit a consent instruction in respect of the Resolution in respect of its Bonds.

Bondholders who need assistance with respect to the procedures for participating in the consent solicitation should contact the Tabulation Agent, the contact details for which are on the last page of this Consent Solicitation Memorandum. Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold Bonds whether such intermediary would require receipt of instructions to participate in, withdraw or revoke their consent instruction before the deadlines and within the periods specified in this Consent Solicitation Memorandum. The deadlines set by each Clearing System for the submission of consent instructions may also be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum.

Only direct participants may submit consent instructions. Each beneficial owner of the Bonds that is not a direct participant must arrange for the direct participant through which it holds the relevant Bonds or for the broker, dealer, bank, custodian, trust company or other nominee through which it holds the Bonds to arrange for their direct participant in Euroclear or Clearstream, Luxembourg to submit a consent instruction, as the case may be, on its behalf to the relevant Clearing System prior to the deadline(s) specified by such Clearing System and so as to be received by the Tabulation Agent prior to the Expiration Time (or the Adjournment Expiration Time, as applicable).

1. The Consent Solicitation

- (1) A Beneficial Owner of the Bonds may submit a consent instruction in respect of the Resolution and instruct the Common Depositary (in its capacity as Bondholder and legal owner) to appoint the Tabulation Agent as proxy of the Common Depositary to attend the Meeting (or an adjourned Meeting) in accordance with this Consent Solicitation Memorandum, the Conditions, the Regulations and the Fiscal Agency Agreement and vote in respect of the Resolution, on the terms and conditions set out in this Consent Solicitation Memorandum, in respect of all or some of the outstanding Bonds held by it, by submitting or arranging for the submission of a duly completed and valid consent instruction to the relevant Clearing System in accordance with the requirements of the relevant Clearing System and in the manner specified herein. Bondholders may submit a consent instruction at any time during the period from the date of this Consent Solicitation Memorandum and prior to the Expiration Time (or the Adjournment Expiration Time, as applicable) (being the "**Consent Period**"), or until such later date and time as the Issuer may determine, subject always to applicable law, the provisions of the Regulations and the provisions of paragraph 4 (*Amendment, extension, termination and subsequent invitations*) below.
- (2) Following the expiry of the Consent Period, the Issuer may re-open the consent solicitation, as further described in paragraph 4 (*Amendment, extension, termination and subsequent invitations*) below.
- (3) Bondholders may only submit consent instructions in principal amounts of €100,000 or integral multiples of €100,000 in excess thereof.
- (4) The submission by or on behalf of a Beneficial Owner of the Bonds of a consent instruction, which is not validly revoked, will automatically instruct the Common Depositary (in its capacity as Bondholder and legal owner) to appoint the Tabulation Agent (or its nominee) as its proxy to attend the Meeting (or an adjourned Meeting) in accordance with this Consent Solicitation Memorandum, the Conditions, the

Regulations and the Fiscal Agency Agreement and to vote in respect of the Resolution in respect of the Bonds which are the subject of the consent instruction. The votes will be cast in accordance with the relevant consent instruction.

2. Consent instructions

- (1) A beneficial owner of the Bonds must clearly state in its consent instruction:
 - (a) the aggregate principal amount of the Bonds in respect of which it wishes the Tabulation Agent (or its nominee) to be appointed by the Common Depository (in its capacity as Bondholder and legal owner) as its proxy to vote in respect of the Resolution; and
 - (b) the name of the direct participant and the securities account number at the relevant Clearing System in which the Bonds are held.
- (2) Each consent instruction must instruct the Common Depository (in its capacity as Bondholder and legal owner) to appoint the Tabulation Agent (or its nominee) as its proxy to attend the Meeting in accordance with this Consent Solicitation Memorandum, the Conditions, the Regulations and the Fiscal Agency Agreement and to vote in respect of the Resolution in respect of the Bonds which are the subject of the consent instruction and in accordance with the terms of the consent solicitation.

Subject to sub-paragraph (3) below, the authorisations, instructions and requests in this sub-paragraph (2) are irrevocable. Bondholders submitting consent instructions must also procure that Euroclear or Clearstream, Luxembourg which are the subject of the consent instruction in accordance with the procedures set out in paragraphs 3 (*Procedures in respect of the Clearing Systems*) and 4 (*Amendment, extension, termination and subsequent invitations*) below.

- (3) A consent instruction submitted by or on behalf of a beneficial owner of the Bonds may be withdrawn by that beneficial owner of the Bonds by submission to the Tabulation Agent of an electronic withdrawal instruction, by a properly transmitted message, in accordance with the procedures of the relevant Clearing System, in the following circumstances only:
 - (a) in the circumstances described in paragraph 5 (*Amendment of the consent solicitation and withdrawal rights*) below; or
 - (b) at any time prior to the Expiration Time ; or
 - (c) if the Meeting is adjourned at any time before the Adjournment Expiration Time, but not thereafter,

following such withdrawal the vote shall lapse. Following such withdrawal, the Tabulation Agent will advise the relevant Clearing System that the Bonds should be unblocked.

Bondholders who wish to exercise their right of withdrawal having validly submitted consent instructions through the relevant Clearing System, must submit an electronic withdrawal instruction in accordance with the requirements of the relevant Clearing System, which electronic withdrawal instruction must be received by the Tabulation Agent prior to the Expiration Time or, in the event that the Meeting is adjourned, before the Adjournment Expiration Time. To be valid, such instruction must specify the Bonds to which the original consent instruction (as applicable) related, the securities

account to which such Bonds are credited and any other information and documentation required by the relevant Clearing System and/or the Tabulation Agent.

- (4) Subject to sub-paragraph (3) above, the submission by or on behalf of a beneficial owner of the Bonds of a consent instruction shall constitute an irrevocable and binding instruction to the Common Depository (in its capacity as Bondholder and legal owner) to appoint the Tabulation Agent (or its nominee) as its proxy to attend the Meeting (or the adjourned Meeting) in accordance with this Consent Solicitation Memorandum, the Conditions, the Regulations and the Fiscal Agency Agreement and to vote in respect of the Resolution in respect of the Bonds which are the subject of the consent instruction, subject to the terms and conditions set out herein.
- (5) By submitting a consent instruction, the beneficial owner of the Bonds is deemed to represent, warrant and undertake to the Issuer, the Tabulation Agent and the Consent Solicitation Agent that with effect from, and including, the date on which the consent instruction was submitted until the earlier of (i) the conclusion of the Meeting (or, if later, the relevant adjourned Meeting), (ii) the Meeting not having been quorate and validly held at first call and the Issuer's decision not to confirm the calling of an adjourned Meeting, (iii) the receipt by the Tabulation Agent of the relevant withdrawal instruction in the circumstances set out in subparagraph (3) above or (iv) prior to the Expiration Time upon such Bond(s) ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of the Tabulation Agent or other proxies appointed by the Bondholder to be held to its order or under its control; provided, however, in the case of (iv) above, that if a Beneficial Owner or direct participant has caused a proxy to be appointed in respect of such Bond(s), such Bond(s) will not be released to the relevant direct participant unless and until the Issuer and Tabulation Agent have received notice of the necessary revocation of or amendment to such proxy:
- (a) such Bonds are, at the time of submission of the consent instruction, and will continue to be, held by it or on its behalf at Euroclear or Clearstream, Luxembourg; and
- (b) such Bonds have been blocked (and will remain blocked) in the securities account to which such Bonds are credited in the relevant Clearing System.

The receipt of a consent instruction (as applicable) by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the relevant Bonds in the beneficial owner of the Bonds' account (or the account through which they hold the Bonds) at the relevant Clearing System so that no transfers may be effected in relation to such Bonds. By blocking such Bonds in the relevant Clearing System, each direct participant will be deemed to consent to have the relevant Clearing System provide details concerning such direct participant's identity to the Tabulation Agent, the Issuer and the Consent Solicitation Agent and their respective legal advisers.

3. Procedures in respect of the Clearing Systems

- (1) Each beneficial owner of the Bonds must procure that Bonds, subject to a consent instruction have been blocked in the securities account to which they are credited in the relevant Clearing System with effect as from, and including, the day on which the consent instruction is delivered to the Tabulation Agent, so that no transfers of such Bonds may be effected at any time after such date until such date that such Bonds are unblocked pursuant to the terms herein. Bonds should be blocked in accordance with the procedures of the relevant Clearing System and the deadlines required by the

relevant Clearing System. The Issuer and the Tabulation Agent shall be entitled to treat the submission of a consent instruction as a confirmation that such Bonds have been so blocked. The Tabulation Agent may require the relevant Clearing System to confirm in writing that such Bonds have been blocked with effect as from the date of submission of the consent instruction. In the event that the relevant Clearing System fails to provide such confirmation, the Tabulation Agent shall inform the Issuer and the Issuer shall be entitled, but not obliged, to reject the consent instruction and if rejected, the vote in respect thereof shall be treated as not having been made.

- (2) Bondholders who are not direct participants in Euroclear or Clearstream, Luxembourg must contact their broker, dealer, bank, custodian, trust company or other nominee to arrange for their direct participant in Euroclear or Clearstream, Luxembourg through which they hold Bonds to submit a consent instruction on their behalf to be received by the Tabulation Agent prior to the Expiration Time (or the Adjournment Expiration Time). The Bondholders that are held in the name of a broker, dealer, bank, custodian, trust company or other nominee or custodian should contact such entity sufficiently in advance of the Expiration Time (or the Adjournment Expiration Time) if they wish to attend the Meeting in accordance with this Consent Solicitation Memorandum, the Conditions, the Regulations and the Fiscal Agency Agreement and vote in respect of the Resolution and procure that the Bonds are blocked in accordance with the procedures of the relevant Clearing System and the deadlines imposed by such Clearing System.
- (3) Direct participants in Euroclear or Clearstream, Luxembourg shall be deemed to have given authority to Euroclear or Clearstream, Luxembourg to disclose their identity to the Tabulation Agent, the Issuer and the Consent Solicitation Agent and their respective legal advisers upon submission of a consent instruction.
- (4) Bondholders and Bondholders who are not direct participants in Euroclear or Clearstream, Luxembourg who wish to withdraw their consent instruction should contact the relevant Clearing System or their broker, dealer, bank, custodian, trust company or other nominee, as applicable, in sufficient time before the Meeting (or any adjourned Meeting) is held.

4. Amendment, extension, termination and subsequent invitations

- (1) Subject to paragraph 5 below, but notwithstanding any other provision of the consent solicitation, the Issuer may, subject to applicable laws, at any time prior to the Expiration Time amend the Expiration Time and/or the Adjournment Expiration Time at any time prior to each time. The Issuer may also, subject to applicable laws and the provisions of the Regulations amend, decline and/or waive any condition of (including any condition as to the effectiveness of the Resolution) the consent solicitation in respect of the Bonds, at its sole discretion. In addition, the Issuer may, subject to applicable laws and the provisions of the Regulations, re-open the consent solicitation, following the expiry of the Consent Period, for such period(s) as it may in its discretion decide. The Issuer will notify the relevant Bondholders and beneficial owners of the Bonds of any such amendment, extension, re-opening, waiver of any condition of, or termination of, the consent solicitation as soon as is reasonably practicable thereafter in accordance with paragraph 6(3) below and the other provisions of this Consent Solicitation Memorandum. The Issuer may, if it deems it appropriate, and shall where required by applicable law, permit the relevant Bondholders to withdraw consent instructions during any such extension or reopening of the consent solicitation.
- (2) The Issuer may, subject to paragraph 5 (*Amendment of the consent solicitation and withdrawal rights*) below, at any time prior to the Expiration Time (or the Adjournment Expiration Time) make a new invitation to holders of the Bonds to vote in respect of

the Resolution and to Bondholders to submit a consent instruction in respect thereto on such terms as it may determine. The Issuer will notify the relevant holders of the Bonds of any such new invitation as soon as is reasonably practicable thereafter in accordance with paragraph 6(3) below.

5. Amendment of the Consent Solicitation and withdrawal rights

Subject to applicable law and the provisions of the Regulations, if the Issuer makes a new invitation to holders of the Bonds to vote in respect of the Resolution or amends the terms of the consent solicitation or makes a new invitation to holders of the Bonds to vote in respect of the Resolution on different terms which, in the Issuer's sole opinion, acting in accordance with applicable law and the provisions of the Regulations, are materially less beneficial for the holders of the Bonds, then the Issuer will extend the consent solicitation for a period deemed by the Issuer to be adequate, acting in accordance with applicable law and the provisions of the Regulations, to permit Bondholders to deliver or revoke their consent instruction in respect of such votes and, whether such notice is given before or after the Expiration Time (or the Adjournment Expiration Time), such Bondholders shall thereupon be entitled, for the period so determined by the Issuer to be appropriate, acting in accordance with applicable law and the provisions of the Regulations, to withdraw any consent instruction given by them, in accordance with the procedure set out in paragraph 2(3) above. When considering whether a matter is, or is not, materially less beneficial for holders of the Bonds, the Issuer shall not be obliged to have regard to the individual circumstances of particular holders of the Bonds.

6. Additional terms of the Consent Solicitation

- (1) All communications or notices to be delivered to or by a beneficial owner of the Bonds will be delivered by or sent to or by it at its own risk.
- (2) The submission of a consent instruction to the relevant Clearing System will be deemed to constitute an agreement, acknowledgement, undertaking, representation and warranty by the beneficial owner of the Bonds and any direct participant submitting such consent instruction on such holder's behalf to each of the Issuer, the Consent Solicitation Agent and the Tabulation Agent that at the time of submission of the consent instruction, at the Expiration Time (or the Adjournment Expiration Time):
 - (a) it acknowledges that it has received and reviewed, understands and accepts the terms, conditions, risk factors, offer and distribution restrictions and other considerations set out in the Consent Solicitation Memorandum;
 - (b) it consents and authorises the relevant Clearing System to provide the Tabulation Agent, the Issuer and the Consent Solicitation Agent with details of the identity of the direct participant;
 - (c) it acknowledges that none of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their respective affiliates, directors or employees has made any recommendation as to whether (or how) to vote in respect of the Resolution and it represents that it has made its own decision with regard to voting in respect of the Resolution based on any legal, tax or financial advice that it has deemed necessary to seek;
 - (d) it acknowledges that all authority conferred or agreed to be conferred pursuant to these acknowledgements, representations, warranties and undertakings and every obligation of the beneficial owner of the Bonds submitting a consent instruction in respect of the Resolution shall to the extent permitted by

applicable law be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the beneficial owner of the Bonds submitting a consent instruction in respect of the Resolution and shall not be affected by, and shall survive, the death or incapacity of the beneficial owner of the Bonds submitting a consent instruction in respect of the Resolution, as the case may be;

- (e) it acknowledges that none of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their respective affiliates, directors or employees has given it any information with respect to the consent solicitation save as expressly set out in the Consent Solicitation Memorandum and any notice in relation thereto nor has any of them made any recommendation to it as to whether it should vote in respect of the Resolution and it has made its own decision with regard to voting in respect of the Resolution based on any legal, tax or financial advice it has deemed necessary to seek;
- (f) it acknowledges that no information has been provided to it by the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their respective affiliates, directors or employees with regard to the tax consequences to Bondholders arising from the Resolution, and hereby acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the consent solicitation and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their affiliates, directors or employees or any other person in respect of such taxes and payments;
- (h) it acknowledges that the Consent Solicitation Agent or the Tabulation Agent may submit consent instructions for its own account as well as on behalf of other Bondholders;
- (i) it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from it, in each respect, in connection with the consent solicitation or submitting a consent instruction in respect of the Amendment Proposal, in any jurisdiction and that it has not taken or omitted to take any action in breach of these representations or which will or may result in the Issuer or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the consent solicitation or any votes in respect of the Amendment Proposal;
- (j) it has full power and authority to submit a consent instruction to vote in the Meeting;
- (k) any consent instruction delivered by it in respect of the Amendment Proposal is made upon the terms and subject to the conditions of the consent solicitation. It acknowledges that the submission of a valid consent instruction in respect of the Amendment Proposal to the relevant Clearing System and/or the Tabulation Agent, as applicable, in accordance with the standard procedures of the relevant Clearing System constitutes its written consent to the Amendment Proposal and instruction to the Common Depositary (in its capacity as Bondholder and legal

owner) to issue a form of proxy appointing the Tabulation Agent as its proxy to attend, and to cast the votes corresponding to the Bonds which are the subject of the consent instruction in respect of the Resolution implementing the Amendment Proposal at the Meeting (or an adjourned Meeting);

- (l) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Issuer, any of their respective directors or any person nominated by the Issuer in the proper exercise of his or her powers and/or authority hereunder;
- (m) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Issuer to be desirable, in each case to perfect any of the authorities expressed to be given hereunder;
- (n) it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Issuer to be necessary or desirable to effect delivery of the consent instructions related to such Bonds or to evidence such power and authority;
- (o) it is not a person from whom it is unlawful to seek approval of the Amendment Proposal, to receive the Consent Solicitation Memorandum or otherwise to participate in the consent solicitation process;
- (p) all communications, payments or notices to be delivered to or by a beneficial owner of the Bonds will be delivered by or sent to or by it at its own risk;
- (q) the terms and conditions of the consent solicitation shall be deemed to be incorporated in, and form a part of, the consent instruction which shall be read and construed accordingly and that the information given by or on behalf of such beneficial owner of the Bonds in the consent instruction is true and will be true in all respects at the time of the Meeting or an adjourned Meeting;
- (r) until the earlier of (i) the conclusion of the Meeting (or, if later, the relevant adjourned Meeting), (ii) the Meeting not having been quorate and validly held at first call and the Issuer's decision not to confirm the calling of an adjourned Meeting, (iii) the receipt by the Tabulation Agent of the relevant withdrawal instruction in the circumstances set out in paragraph 2(3) above, the Bonds specified in the consent instruction in the account(s) specified in the consent instruction or (iv) prior to the Expiration Time upon such Bond(s) ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of the Tabulation Agent or other proxies appointed by the Bondholder to be held to its order or under its control; provided, however, in the case of (iv) above, that if a Beneficial Owner or direct participant has caused a proxy to be appointed in respect of such Bond(s), such Bond(s) will not be released to the relevant direct participant unless and until the Issuer and Tabulation Agent have received notice of the necessary revocation of or amendment to such proxy. It further hereby represents, warrants and undertakes that, in accordance with the procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and by the deadline required by Euroclear or Clearstream, Luxembourg it has irrevocably instructed Euroclear or Clearstream, Luxembourg as the case may be to block such Bonds with effect on and from the date of the consent instruction so that, at any time until the earlier of until the earlier of (i) the conclusion of the Meeting (or, if later, the relevant adjourned Meeting), (ii) the Meeting not having been quorate and validly held at first call and the Issuer's decision not to confirm the calling of an

adjourned Meeting, (iii) the receipt by the Tabulation Agent of the relevant withdrawal instruction in the circumstances set out in paragraph 2(3) above or (iv) prior to the Expiration Time upon such Bond(s) ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of the Tabulation Agent or other proxies appointed by the Bondholder to be held to its order or under its control; provided, however, in the case of (iv) above, that if a Beneficial Owner or direct participant has caused a proxy to be appointed in respect of such Bond(s), such Bond(s) will not be released to the relevant direct participant unless and until the Issuer and Tabulation Agent have received notice of the necessary revocation of or amendment to such proxy, no transfers of such Bonds may be effected; and it hereby represents, warrants and undertakes that it has delivered an individual, matching blocking instruction in respect of the relevant Bonds specified in the consent instruction to Euroclear or Clearstream, Luxembourg and has ensured that the relevant blocking instruction can be allocated to such Bonds;

- (s) each consent instruction is made on the terms and conditions set out in this Consent Solicitation Memorandum;
- (t) each consent instruction is being submitted in compliance with all applicable laws and/or regulations of the jurisdiction in which the beneficial owner of the Bonds is located and/or in which it is resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with each such instruction; and
- (u) the beneficial owner of the Bonds is located outside the United States and its consent instruction to vote on the Resolution will be submitted from outside the United States or if the beneficial owner of the Bonds is located in the United States, such beneficial owner or direct participant on its behalf has contacted the Tabulation Agent to inform it as to whether (a) the beneficial owner of the Bonds is located in the United States and is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act or an institutional accredited investor as defined in Rule 501(a) of the Securities Act or (b) it has otherwise contacted the Tabulation Agent to inform it that it is unable to make the representation in (a) above and have provided it details of its location and investor status.

If the relevant beneficial owner of the Bonds is unable to give any of the representations and warranties described in (a) to (m) or (u) above, such beneficial owner of the Bonds should contact the Consent Solicitation Agent.

- (3) Save as otherwise provided herein, any notice or announcement given to a beneficial owner of the Bonds in connection with the consent solicitation will be deemed to have been duly given if delivered by the Tabulation Agent for onward transmission to the Clearing Systems.
- (4) Each beneficial owner of the Bonds submitting a consent instruction in accordance with its terms shall be deemed to have agreed to indemnify and hold harmless on an after tax basis, the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent and other Paying, Transfer and Conversion Agents and any of their respective affiliates, directors or employees against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the representations, warranties and/or undertakings given pursuant to, such offer to vote by such beneficial owner of the Bonds.

- (5) This Consent Solicitation Memorandum, the consent solicitation and each consent instruction and any non-contractual obligations arising out of or in connection with any of the aforesaid shall be governed by and construed in accordance with English law. By submitting a consent instruction in respect of the Resolution, a beneficial owner of the Bonds irrevocably and unconditionally agrees, for the benefit of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent and other Paying, Transfer and Conversion Agents that the courts of England are to have jurisdiction to settle any disputes which may arise in connection with the Consent Solicitation Memorandum, the consent solicitation and each consent instruction and any non-contractual obligations arising out of or in connection with any of the aforesaid or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.
- (6) None of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their respective affiliates, directors or employees makes any recommendation as to whether or not to accept the consent solicitation or otherwise to exercise any rights in respect of the Bonds. Bondholders must make their own decision with regard to submitting consent instructions in respect of the Resolution.
- (7) All questions as to the validity, form and eligibility (including the time of receipt) of any consent instruction or revocation or revision thereof or delivery of consent instructions will be determined by the Issuer in its sole discretion, which determination will be final and binding. Subject to applicable law and the provisions of the Regulations, the Issuer's interpretation of the terms and conditions of the consent solicitation and any vote (including any instructions in the consent instruction) shall be final and binding. No alternative, conditional or (subject to the terms herein) contingent consent instructions will be accepted. Subject to applicable law and the provisions of the Regulations, the Issuer may: (a) in its absolute discretion reject any consent instruction submitted by a beneficial owner of the Bonds or (b) in its absolute discretion elect to treat as valid a consent instruction, in both cases, not complying in all respects with the terms of the consent solicitation or in respect of which the relevant beneficial owner of the Bonds does not comply with all the subsequent requirements of these terms and such determination will be final and binding.
- (8) Unless waived by the Issuer any irregularities in connection with any consent instruction must be cured within such time as the Issuer shall in its absolute discretion determine. None of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent, other Paying, Transfer and Conversion Agents, any of their respective affiliates, directors or employees or any other person will be under any duty to give notification of any defects or irregularities in such consent instruction, nor will any of such entities or persons incur any liability for failure to give such notification.
- (9) If any communication (whether electronic or otherwise) addressed to the Issuer or the Tabulation Agent is communicated on behalf of a beneficial owner of the Bonds by an attorney-in-fact, custodian, trustee, administrator, director or officer of a corporation or any other person acting in a fiduciary or representative capacity (other than a direct participant in its capacity as such), that fact must be indicated in the communication, and a power of attorney or other form of authority, in a form satisfactory to the Issuer, must be delivered to the Tabulation Agent by the end of the Consent Period. Failure to submit such evidence as aforesaid may result in rejection of the acceptance. Neither the Issuer nor the Tabulation Agent shall have any responsibility to check the genuineness of any such power of attorney or other form of authority so delivered and may

conclusively rely on, and shall be protected in acting in reliance upon, any such power of attorney or other form of authority.

- (10) None of the Issuer, the Consent Solicitation Agent, the Tabulation Agent, the Fiscal Agent or other Paying, Transfer and Conversion Agents or any of their respective affiliates, directors or employees accepts any responsibility whatsoever for failure of delivery of any consent instruction or any other notice or communication or any other action required under these terms. The Issuer's determination in respect of any consent instruction or any other notice or communication shall be final and binding.

CONSENT SOLICITATION AGENT AND TABULATION AGENT

The Issuer has appointed BNP Paribas to act as Consent Solicitation Agent and Lucid Issuer Services Limited to act as Tabulation Agent.

The Consent Solicitation Agent and its affiliates may contact Bondholders regarding the consent solicitation, and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Consent Solicitation Memorandum, any notice in relation thereto and related materials to Bondholders. The Consent Solicitation Agent and its affiliates have provided and may continue to provide certain investment banking services to the Issuer for which they have received and may receive compensation that is customary for services of such nature, including in respect of the consent solicitation process.

None of the Consent Solicitation Agent or the Tabulation Agent or any of their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the consent solicitation, the Issuer or any of its respective affiliates contained in this Consent Solicitation Memorandum or for any failure by any of them to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Consent Solicitation Agent or the Tabulation Agent or any of their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding the consent solicitation, or any recommendation as to whether Bondholders should participate in the consent solicitation.

All correspondence in connection with the consent solicitation should be sent or delivered by each beneficial owner of the Bonds or a beneficial owner's broker, dealer, commercial bank, trust company or other nominee to the Tabulation Agent at the addresses and telephone number set forth on the back cover of this Consent Solicitation Memorandum. The Tabulation Agent is the agent of the Issuer and owes no duty to any holder of the Bonds.

The Consent Solicitation Agent is acting exclusively for the Issuer and nobody else in relation to the consent solicitation and will not be responsible for giving advice or other investment services in relation to the consent solicitation to any person. The Consent Solicitation Agent and/or its affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Bonds. At any given time, the Consent Solicitation Agent may trade the Bonds for its own account or for the account of customers and, accordingly, may hold a long or short position in the Bonds.

The Consent Solicitation Agent may (i) submit consent instructions for their own account and (ii) submit consent instructions or otherwise vote in relation to the consent solicitation on behalf of other Bondholders.

VOTING AND MEETING

The form of the Notice of Meeting is set out at Annex A (*Form of Notice of Meeting*). In accordance with the provisions of the Conditions, copies of the Notice of Meeting have been delivered to Bondholders through Euroclear and Clearstream, Luxembourg.

Please refer to the "*Quorum and Adjournment*", "*Rights of Representation*" and "*Voting*" sections of Annex A (*Form of Notice of Meeting*) and the relevant sections of this Consent Solicitation Memorandum for details of the quorum required at the Meeting and for details regarding the methods available for ensuring that you may attend or be represented at the Meeting and that your votes will be cast in accordance with your wishes in relation to the Resolution.

If the Resolution is duly passed at the Meeting, it will be binding on all Bondholders, including those Bondholders who do not attend the Meeting or who attend (either in person or duly represented) and who vote against such Resolution.

The Meeting will be held at the offices of the Issuer at calle de Beatriz de Bobadilla n° 14, 28040 Madrid, Spain at 10:00 a.m. CET on 9 July 2018 or, if adjourned, at the same place and time on 23 July 2018.

If Bondholders have any questions regarding attending or being represented at the Meeting, or voting in relation to the Resolution, they should contact the Tabulation Agent, contact details for which are on the last page of the Consent Solicitation Memorandum, as soon as possible.

If Bondholders have any questions regarding the commercial aspects of the Amendment Proposal, they should contact the Consent Solicitation Agent, contact details for whom are on the last page of this Consent Solicitation Memorandum.

Bondholders holding Bonds in Euroclear or Clearstream, Luxembourg (each, a "**Clearing System**") should note the particular practices and policies of the relevant Clearing System regarding their communications deadlines, which will determine the latest time at which instructions may be delivered to the relevant Clearing System so that they are received by the Tabulation Agent within the appropriate deadlines.

The Issuer urges Bondholders to consider the Amendment Proposal carefully and to ensure they comply with the strict timetable requirements (set out in Annex A (*Form of Notice of Meeting*)) in order to ensure they are able to participate in, or be represented at, the Meeting and to have their votes cast in relation to the Resolution.

ADDITIONAL INFORMATION**Bonds outstanding**

The following Bonds remain outstanding at the date of this Consent Solicitation Memorandum:

Bonds	Aggregate Principal Amount Outstanding (€)
Bonds	160,000,000

Documents available for inspection by Bondholders

Copies of the following documents are available in electronic format on the web page of the Issuer (<https://www.ence.es/es/inversores.html>) from the date hereof until the conclusion of the Meeting:

- (i) the Notice of Meeting;
- (ii) the Conditions;
- (iii) the Fiscal Agency Agreement; and
- (iv) this Consent Solicitation Memorandum.

ANNEX A - FORM OF NOTICE OF MEETING

ENCE Energía y Celulosa, S.A.

NOTICE OF MEETING

to all holders (the “**Bondholders**”) of the outstanding

€160,000,000 1.25 per cent. Senior Unsecured Convertible Bonds due 2023 of ENCE Energía y Celulosa, S.A. with ISIN code XS1783932863 and Common Code 178393286

NOTICE IS HEREBY GIVEN that, pursuant to: (i) article 422 of Royal Legislative Decree 1/2010, of 2 July, approving the Unified Text of the Spanish Companies Law (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el Texto Refundido de la Ley de Sociedades de Capital*), (ii) the terms and conditions (the “**Conditions**”) of the €160,000,000 1.25 per cent. Senior Unsecured Convertible Bonds due 2023 (the “**Bonds**”) of ENCE Energía y Celulosa, S.A. (the “**Issuer**”), and (iii) the provisions regulating meetings of bondholders set out as Schedule 3 to the Fiscal, Transfer and Conversion Agency Agreement dated 5 March 2018 entered into between the Issuer, The Bank of New York Mellon, London Branch (the “**Fiscal Agent**”) and The Bank of New York Mellon SA/NV, Luxembourg Branch (the “**Registrar**”) (such agreement, the “**Fiscal Agency Agreement**”, and such provisions, the “**Bondholder Meeting Provisions**”), Mr. Ignacio de Colmenares Brunet, as Chief Executive Officer for and on behalf of the Issuer convenes a General Meeting (*asamblea general de bonistas*) of Bondholders (the “**General Meeting**”) to be held at the offices of the Issuer at calle de Beatriz de Bobadilla nº 14, 28040 Madrid, Spain at 10:00 a.m. CET on 9 July 2018 or, if adjourned, at the same place and time on 23 July 2018.

Unless the context otherwise requires, capitalized terms not otherwise defined in this notice of General Meeting (the “**Notice**”) shall have the meanings ascribed to them in the Fiscal Agency Agreement, or as applicable, the Conditions.

1. PURPOSE AND AGENDA

The purpose of the General Meeting is to consider the proposed amendments to the Conditions and, if thought fit, pass the following resolution set out below in this Notice, which will be proposed as an Extraordinary Resolution in accordance with, and as defined in, the Bondholder Meeting Provisions.

The proposed amendments seek to modify the Conditions, in particular, Condition 6(b)(vi) and Condition 7(e), to align such Conditions with European market standards to allow Bondholders to benefit from an enhanced conversion ratio period in the event of a Tender Offer while maintaining the Bondholder’s put at par in the event of a Change of Control (pursuant to Condition 7(e)), but suppressing the Tender Offer Value component of such put which will be covered through the aforementioned enhanced conversion ratio period.

EXTRAORDINARY RESOLUTION

“THAT THIS MEETING (the “**General Meeting**”) of the holders (the “**Bondholders**”) of the €160,000,000 1.25 per cent. Senior Unsecured Convertible Bonds due 2023 (the “**Bonds**”) of ENCE Energía y Celulosa, S.A. (the “**Issuer**”), by Extraordinary Resolution (as defined in the Fiscal, Transfer and Conversion Agency Agreement referred to below) (the “**Extraordinary Resolution**”) hereby:

1. approves and assents to the amendment of the terms and conditions of the Bonds by the replacement of Condition 7(e) of such terms and conditions with the following:

“Redemption at the option of Bondholders following a Change of Control

If a Change of Control shall occur, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Put Date at the Put Price, together with accrued interest to (but excluding) the Put Date.

*To exercise the right set out in this Condition 7(e), the holder of the relevant Bond must present such Bond at the specified office of any Paying, Transfer and Conversion Agent together with a duly completed and signed notice of exercise, in the form for the time being current, obtainable from the specified office of any Paying, Transfer and Conversion Agent (a “**Put Exercise Notice**”) at any time in the period (the “**Put Period**”) of 60 days commencing on the occurrence of the Change of Control and ending 60 days thereafter, or, if later, 60 days following the date upon which notice as required by Condition 7(f) is given to Bondholders by the Issuer. The “**Put Date**” shall be the fourteenth day after the expiry of the Put Period.*

Payment in respect of any such Bond shall be made by transfer to a bank in a city in which banks have access to the TARGET System specified by the relevant Bondholder in the applicable Put Exercise Notice.

In these Conditions:

*“**Put Price**” means in respect of a Bond, the principal amount of such Bond.*

2. approves and assents to the amendment of the terms and conditions of the Bonds by the replacement of Condition 6(b)(vi) of such terms and conditions with the following:

“(vi) Conversion Price Protection in relation to a Change of Control or Tender Offer

*If a Change of Control (other than as a result of a Tender Offer) or a Tender Offer Triggering Event shall occur in respect of the Issuer, the Conversion Price shall be adjusted in accordance with the formula set out below, provided that any adjustment to the Conversion Price pursuant to this Condition 6(b)(vi) shall apply only to Bonds in respect of which Conversion Rights are exercised and the relevant Conversion Date falls within the Relevant Period (defined below), the Conversion Price, solely for the purpose of such exercise (the “**Adjusted Conversion Price**”), shall be determined by multiplying the Conversion Price in effect on the relevant Conversion Date by the following fraction:*

$$1/(1 + (CP \times c/t));$$

where:

CP is 40 per cent. (expressed as a fraction);

c is the number of days from and including the date the Change of Control or, as the case may be, the Tender Offer Triggering Event occurs to but excluding the Final Maturity Date; and

t is the number of days from and including the Issue Date to but excluding the Final Maturity Date.

In these Conditions:

*A “**Change of Control**” shall occur if any person acquires Control of the Issuer.*

“CNMV” means Spain’s Comisión Nacional del Mercado de Valores.

“Control” means:

the acquisition or control of more than 50 per cent. of the Voting Rights in respect of the Issuer, or

the right to appoint and/or remove all or the majority of the members of the Issuer’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights in respect of the Issuer, contract or otherwise,

and “controlled” shall be construed accordingly.

“Relevant Period” means the period commencing on the occurrence of the Change of Control or, as the case may be, on and including the date the Tender Offer Triggering Event occurs and ending 60 days thereafter, or if later, 60 days following the date on which the relevant Change of Control or Tender Offer Triggering Event Notice is given to Bondholders as required by Condition 7(f).

“Tender Offer” means a tender offer (including a competing tender offer) made in accordance with applicable Spanish laws and regulations following approval from the CNMV.

“Tender Offer Triggering Event” shall occur where a Tender Offer is made to all (or as nearly as may be practicable all) holders of Ordinary Shares (or all (or as nearly as may be practicable all) such shareholders other than the offeror and/or any person or persons acting together with the offeror) to acquire all or any of the issued Ordinary Shares of the Issuer and which, if successful, would result, immediately following completion of the Tender Offer, in the occurrence of a Change of Control.”;

3. approves and assents to the amendment of the terms and conditions of the Bonds by the replacement of Condition 7(f) of such terms and conditions with the following:

“(f) Notice of Change of Control or Tender Offer Triggering Event

Within 14 days following the occurrence of a Change of Control or Tender Offer Triggering Event, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 15. In the case of a Change of Control, such notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 7(e), and, in the case of a Change of Control (other than as a result of a Tender Offer) or a Tender Offer Triggering Event, to exercise their Conversion Rights as provided in these Conditions.

Such notice shall also specify:

- (a) *all information material to Bondholders concerning the Change of Control or Tender Offer Triggering Event;*

the Conversion Price immediately prior to the occurrence of the Change of Control (other than as a result of a Tender Offer) or of the Tender Offer Triggering Event, the Adjusted Conversion Price applicable on the basis of such Conversion Price;

the Closing Price of the Ordinary Shares as at the latest practicable date prior to the publication of the relevant notice;

the last day of the Put Period and, in the case of a Change of Control (other than as a result of a Tender Offer) or of a Tender Offer Triggering Event, of the Relevant Period;

the Put Price; and

the Put Date.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Put Exercise Notices delivered as aforesaid on the relevant Put Date.”;

4. approves and assents to the amendment of the terms and conditions of the Bonds (such amendment, together with the amendments set out in paragraphs (1), (2) and (3) above, the “**Amendments**”) by making the following changes to Condition 3 of such terms and conditions:
 - (i) the deletion of the words “**Tender Offer Consideration**” has the meaning provided in Condition 7(e)”;
 - (ii) the deletion of the words “**Tender Offer Period**” has the meaning provided in Condition 7(e)”;
 - (iii) the deletion of the words “**Tender Offer Value**” has the meaning provided in Condition 7(e)”;
 - (iv) the replacement of the words “**Tender Offer Triggering Event**” has the meaning provided in Condition 7(e)” with the following: “**Tender Offer Triggering Event**” has the meaning provided in Condition 6(b)(vi)”;
 - (v) the replacement of the words “**Change of Control Conversion Price**” with the following: “**Adjusted Conversion Price**”;
5. approves, authorizes, consents, sanctions, empowers and directs the Issuer to:
 - (i) consent and/or confirm its agreement to the implementation of the Amendments (in writing where necessary); and
 - (ii) execute and do, all such other deeds, instruments, ancillary documents, acts and things as may be necessary or desirable to carry out and give effect to this Extraordinary Resolution and to implement the Amendments;
6. acknowledges that the terms and conditions of the Bonds will remain in full force and effect (subject only to the variations and amendments effected by the implementation of the Amendments), and no party or parties intend that the Bonds be rescinded, repaid or terminated as a consequence of the Amendments;
7. sanctions and approves every modification, abrogation, variation, compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer, the Fiscal Agent, the Paying, Transfer and Conversion Agents, the Tabulation Agent and the Consent Solicitation Agent involved in or arising from the implementation of this Extraordinary Resolution and the implementation of the Amendments (whether such rights shall arise under or in relation to the Fiscal Agency Agreement, the terms and conditions of the Bonds or otherwise, including by reason of any allegation of breach of contract, duty or trust in relation to any action or decision taken by the Issuer, the Fiscal Agent, the Paying, Transfer and Conversion Agents, the Tabulation Agent and the Consent Solicitation Agent in effecting such execution or implementation) and assents to every modification, variation and abrogation of the covenants or provisions of the Fiscal

Agency Agreement, the terms and conditions of the Bonds and any other documents relating to the Bonds involved in or affected by the implementation of this Extraordinary Resolution or the Amendments generally;

8. directs, requests, empowers and authorises the Fiscal Agent, the Paying, Transfer and Conversion Agents, the Tabulation Agent and the Consent Solicitation Agent to consent to, concur in and execute all such documents and do all such acts and things considered by each of them in its sole discretion to be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution or the Amendments generally;
9. discharges and exonerates the Fiscal Agent, the Paying, Transfer and Conversion Agents, the Tabulation Agent and the Consent Solicitation Agent from all liabilities in respect of any act or omission in connection with the Bonds, the terms and conditions of the Bonds or any other documents relating to the Bonds involved in or affected by the implementation of this Extraordinary Resolution or the Amendments generally;
10. other than as expressly provided in this Extraordinary Resolution, waives any and all requirements, restrictions or conditions precedent set forth in the documents relating to the Bonds in respect of implementing these Amendments;
11. confirms that it has formed its own view in relation to the actions arising out of this Extraordinary Resolution without any reliance on the Fiscal Agent, the Paying, Transfer and Conversion Agents, the Tabulation Agent, the Consent Solicitation Agents or the Issuer;
12. empowers the Issuer so that, in the name and on behalf of the Bondholders, it can carry out any actions and execute any public or private documents that may be necessary or advisable for granting and recording the General Meeting minutes; and
13. empowers the Issuer, with specific powers of substitution and without prejudice to other delegations already granted, so that, in the name and on behalf of the Bondholders, it can appear before a notary and notarise this Extraordinary Resolution, executing any public and private instruments that may be necessary or advisable for such notarisation, appearing before any public or private authorities, foreign or national, that may be advisable to apply and to obtain the registration thereof with the relevant Commercial Registry, including the power to rectify or amend this Extraordinary Resolution.

Unless the context otherwise requires, capitalized terms not otherwise defined in this Extraordinary Resolution shall have the meanings ascribed to them in the Fiscal, Transfer and Conversion Agency Agreement dated 5 March 2018 entered into between the Issuer, The Bank of New York Mellon, London Branch (as Fiscal Agent) and The Bank of New York Mellon SA/NV, Luxembourg Branch (as Registrar), or as applicable, the terms and conditions of the Issue.

2. DOCUMENTS AVAILABLE FOR INSPECTION

Bondholders may, at any time prior to the General Meeting as set out herein, obtain on the web page of the Issuer (<https://www.ence.es/es/inversores.html>) copies of the documents set out below.

Documents available:

- this Notice;
- the Conditions;
- the Fiscal Agency Agreement; and
- the Consent Solicitation Memorandum (following its publication).

3. ATTENDANCE

Bondholders shall be entitled to attend, speak and vote at the General Meeting if they hold Bonds prior to 10:00 a.m. (CET) on 6 July 2018 (being the Expiration Time) or, if the Issuer confirms the calling of the adjourned Meeting, prior to 10:00 a.m. (CET) on 20 July 2018.

In addition, pursuant to Section 13 of the Bondholder Meeting Provisions, the following are also entitled to attend and speak at the General Meeting:

- representatives of the Issuer, the Fiscal Agent and the Registrar;
- the financial advisers of the Issuer; and
- the legal counsel to the Issuer, the Fiscal Agent and the Registrar,

and this Notice has been issued to Fiscal Agent and the Registrar for such purpose.

4. QUORUM AND ADJOURNMENT

Due to the fact that the amendments to Condition 7(e) of the Conditions contemplated pursuant to the Extraordinary Resolution set out above constitute a “Reserved Matter” pursuant to the Bondholder Meeting Provisions, the quorum at the General Meeting shall be at least two Voters representing or holding not less than the three quarters of the aggregate principal amount of the outstanding Bonds.

Having regard to such requirements, Bondholders are strongly urged either to attend the General Meeting or to take steps to be represented at the General Meeting, as referred to below and in the Consent Solicitation Memorandum, as soon as possible.

If by 10:15 a.m. CET on 9 July 2018 a quorum as described above is not present, then the General Meeting shall be adjourned to be held at 10:00 a.m. CET on 23 July 2018 at calle de Beatriz de Bobadilla n° 14, 28040 Madrid, Spain, which adjourned meeting shall consider the Extraordinary Resolution in the terms set out above. In such event, the quorum for such adjourned meeting shall be at least two Voters representing or holding not less than one quarter of the aggregate principal amount of the outstanding Bonds.

5. RIGHTS OF REPRESENTATION

A person in whose name a Bond is registered in the Register prior to 10:00 a.m. (CET) on 6 July 2018 or, if the Issuer confirms the calling of the adjourned Meeting, prior to 10:00 a.m. (CET) on 20 July 2018 shall for the purposes of the General Meeting be deemed to be the holder of such Bond. All such Bondholders have the right to attend the General Meeting.

The Consent Solicitation Memorandum prepared by the Issuer will detail the procedures with respect to the appointment of Proxies and issue of Block Voting Instructions by Bondholders, so that Bondholders may be represented at the General Meeting.

6. VOTING

Every question submitted to the General Meeting (including the Extraordinary Resolution) shall be decided in the first instance by a show of hands, unless a poll is validly demanded before or at the time that the result is declared. A demand for a poll shall be valid if it is made by the chairman of the General Meeting (the “Chairman”), the Issuer or one or more Voters representing or holding together not less than one fiftieth of the aggregate principal amount of the outstanding Bonds.

Every Voter shall have:

- (i) on a show of hands, one vote; and

- (ii) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Bond(s) represented or held by him by the unit of currency in which the Bonds are denominated.

In the case of a voting tie the Chairman shall have a casting vote.

The Extraordinary Resolution requires a majority of not less than three quarters of the votes cast at the General Meeting to pass. If so passed, such Extraordinary Resolution shall be binding upon all Bondholders whether or not present at the General Meeting and each of the Bondholders shall be bound to give effect to it accordingly.

Notice of the result of the vote on the Extraordinary Resolution shall be given to the Bondholders and the Paying Agents (with a copy to the Issuer) within 14 days of the conclusion of the General Meeting.

7. GENERAL

None of the Fiscal Agent, the Registrar, the Paying, Transfer and Conversion Agents, the Tabulation Agent nor the Consent Solicitation Agent expresses any view as to the merits of the proposals to be considered at the General Meeting or the Extraordinary Resolution. None of such agents as above mentioned has been involved in negotiating such proposals or the form of the Extraordinary Resolution and none of them makes any representation that all relevant information has been disclosed to the Bondholders in or pursuant to this Notice. Accordingly, it is recommended that Bondholders who are unsure of the impact of the proposals to be considered at the General Meeting, or the Extraordinary Resolution, should seek their own independent financial, legal and tax advice, as appropriate.

8. ADDITIONAL INFORMATION

Bondholders should contact the following for further information:

- **Consent Solicitation Agent:**

BNP PARIBAS

16, boulevard des Italiens

75009 Paris

France

Tel: + 33 1 40 14 96 73

Attention: Patrice Mouquet

Email: patrice.mouquet@bnpparibas.com

- **Tabulation Agent:**

Lucid Issuer Services Limited

Tankerton Works

12 Argyle Walk

London WC1H 8HA

United Kingdom

Tel: +44 20 7704 0880

Attention: Thomas Choquet /Arlind Bytyqi

Email: ence@lucid-is.com

This Notice is given by Ence Energía y Celulosa, S.A.

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Mr. Ignacio de Colmenares Brunet
Chief Executive Officer
Ence Energía y Celulosa, S.A.

Madrid, 15 June 2018

DISCLAIMER: This Notice must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the proposals to be considered at the General Meeting. If any Bondholder is in any doubt as to the action it should take or is unsure of the impact of the implementation of the proposals to be considered at the General Meeting, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, accountant or other independent financial, tax or legal adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the General Meeting or otherwise vote in respect of the proposals to be considered at the General Meeting. None of the Issuer, the Consent Solicitation Agent, the Fiscal Agent, the Paying Transfer and Conversion Agent or the Tabulation Agent makes any recommendation whether Bondholders should participate in the General Meeting or otherwise vote in respect of the proposals to be considered.

Nothing in this Notice or the Consent Solicitation Memorandum constitutes or contemplates an offer of, an offer to purchase or sell or the solicitation of an offer to purchase or sell any security in any jurisdiction. The distribution of this Notice and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law, and persons into whose possession this announcement or the Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.

ISSUER

ENCE Energía y Celulosa, S.A.
Calle Beatriz de Bobadilla 14,
28040 Madrid,
Spain

FISCAL, PAYING, TRANSFER AND CONVERSION AGENT

The Bank of New York Mellon, London Branch

One Canada Square
London E14 5AL
United Kingdom

TABULATION AGENT

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Tel: +44 20 7704 0880

Attention: Thomas Choquet

Email: ence@lucid-is.com

CONSENT SOLICITATION AGENT

BNP Paribas

16, boulevard des Italiens
75009 Paris

Tel: + 33 1 40 14 96 73

Attention: Patrice Mouquet

Email: patrice.mouquet@bnpparibas.com

REGISTRAR

The Bank of New York Mellon SA/NV, Luxembourg Branch

Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

LEGAL ADVISERS

To the Issuer as to Spanish law

Uría Menéndez Abogados, S.L.P.

c/Príncipe de Vergara, 187
Plaza de Rodrigo Uría
28002 Madrid
Spain